

TO: TOWN COUNCIL

FROM: FINANCE DIRECTOR

RE: CalPERS DEFERRED COMPENSATION RESOLUTIONS

ISSUE

CalPERS has requested that the Town forward them two resolutions adopted by the Town Council.

RECOMMENDATION

Adopt attached replacement resolutions.



CEQA

There are no CEQA compliance issues.

MONEY

There are no money requests.

DISCUSSION

This is a "housekeeping" issue.

At the time the Town contracted with CalPERS for employee retirement, choices were made among the available programs and options. The appropriate contracts were signed, and ostensibly, resolutions passed.

CalPERS staff have recently requested copies of the resolutions by the Town for Employer paid contributions, whereby the Town pays the employee share of contributions, and Employer Pick-up, whereby those employer paid contributions are considered tax deferred.

Since staff could find the original resolutions, new ones have been prepared.

Attachment:

Resolution for Employer Paid Member Contributions

Resolution for Employer Pick-up

TOWN OF LOOMIS

RESOLUTION NO. 09 - ____

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOOMIS APPROVING EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of the Town of Loomis has the authority to implement Government Code Section 20691; and

WHEREAS, the governing body of the Town of Loomis has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer; and

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Town of Loomis of a Resolution to commence said Employer Paid Member Contributions (EPMC).

IT IS FURTHER RESOLVED that the governing body of the Town of Loomis has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of the Town of Loomis.
- This benefit shall consist of paying the normal member contributions as EPMC.
- The effective date of this Resolution shall be June 9, 2009.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Loomis elects to pay EPMC, as set forth above.

PASSED AND ADOPTED by the Council of the Town of Loomis the 9th day of June, 2009 by the following vote:

AYES:

NOES:

ABSENT:

Mayor

ATTEST:

APPROVED AS TO FORM:

Town Clerk

Town Attorney

TOWN OF LOOMIS

RESOLUTION NO. 09 - ____

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOOMIS APPROVING FOR EMPLOYER PICK-UP

WHEREAS, the Town of Loomis has the authority to implement the provisions of Section 414(h)(2) of the Internal Revenue Code (IRC); and

WHEREAS, the Board of Administration of the Public Employees' Retirement System adopted its resolution regarding Section 414 (h)(2) IRC on September 18, 1985; and

WHEREAS, the Internal Revenue Service has stated in December 1985, that the implementation of the provisions of Section 414(h)(2) IRC pursuant to the Resolution of the Board of Administration would satisfy the legal requirements of Section 414(h)(2) IRC; and

WHEREAS, the Town of Loomis as determined that even though the implementation of the provisions of Section 414(h)(e) IRC is not required by law, the tax benefit offered by Section 414(h)(2) IRC should be provided to its employees who are members of the Public Employees' Retirement System.

NOW, THEREFORE, BE IT RESOLVED:

- I. That the Town of Loomis will implement the provisions of Section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code Section 20691 to the Public Employees' Retirement System on behalf of its employees who are members of the Public Employees' Retirement System. "Employee contributions" shall mean those contributions to the Public Employees' Retirement System which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code Section 20691.
- II. That the contributions made by the Town of Loomis to the Public Employees' Retirement System, although designated as employee contributions, are being paid by the Town of Loomis in lieu of contributions by the employees who are members of the Public Employees' Retirement System.
- III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Town of Loomis to the Public Employees' Retirement System.

IV. That the Town of Loomis shall pay to the Public Employees' Retirement System the contributions designated as employee contributions from the same source of funds as used in paying salary.

V. That the amount of the contributions designated as employee contributions and paid by the Town of Loomis to the Public Employees' Retirement System on behalf of an employee shall be the entire contribution required of the employee by the Public Employees' Retirement Law (California Government Code Sections 20000, et seq.).

VI. That the contributions designated as employee contributions made by the Town of Loomis to the Public Employees' Retirement System shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the Public Employees' Retirement System.

PASSED AND ADOPTED by the Council of the Town of Loomis the 9th day of June, 2009 by the following vote:

AYES:

NOES:

ABSENT:

Mayor

ATTEST:

APPROVED AS TO FORM:

Town Clerk

Town Attorney